

AR02 ZENITH ELECTRIC SUPPLY LIMITED

CONSOLIDATED BALANCE SHEET (000's) (unaudited)

ASSETS

June 30, 1973 June 30, 1972

Current

Accounts receivable	2,859	2,739
Inventories	3,478	3,004
Other	43	56
	<u>6,380</u>	<u>5,799</u>

Fixed, at cost less de- preciation and amortization

558	524
<u>\$6,938</u>	<u>\$6,323</u>

LIABILITIES & SHAREHOLDERS' EQUITY

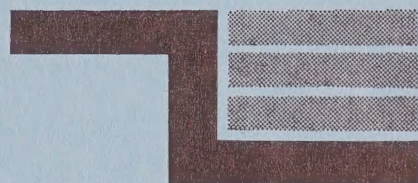
Current

Bank advances (secured)	1,052	565
Accounts payable and other	1,627	1,647
	<u>2,679</u>	<u>2,212</u>

Shareholders' Equity

Shares issued and outstanding (1,273,254)	1,356	1,345
Retained earnings	2,903	2,766
	<u>\$6,938</u>	<u>\$6,323</u>

ZENITH ELECTRIC SUPPLY LIMITED



Semi-Annual Report to Shareholders

SIX MONTHS TO JUNE 30, 1973

ZENITH ELECTRIC SUPPLY LIMITED

July 25, 1973

Dear Shareholder:

Your Company has enjoyed for the first six months of 1973, an increase in sales revenue and a proportionately larger increase in profit. Earnings have increased from 5 cents to 8 cents per share.

The forecast for the balance of the year seems to indicate a profitable 1973.

On behalf of the Board of Directors,

Walter Jamieson
President

CONSOLIDATED STATEMENT OF EARNINGS (unaudited)

	Six months ended June 30, 1973	June 30, 1972	12 months ended Dec. 31, 1972
Sales revenue	<u>\$10,421,264</u>	<u>\$9,689,442</u>	<u>\$20,878,193</u>
Earnings before taxes	206,312	122,649	661,306
Taxes on income	<u>102,000</u>	<u>62,000</u>	<u>313,000</u>
Net earnings	<u>\$ 104,312</u>	<u>\$ 60,649</u>	<u>\$ 348,306</u>
Earnings per share	\$ 0.08	\$ 0.05	\$ 0.28

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS (unaudited)

	Six months ended June 30, 1973	June 30, 1972
Source of Funds		
Net earnings for the period	104,312	60,649
Provision for depreciation and amortization	37,340	38,508
Sale of capital stock	7,620	7,620
	<u>149,272</u>	<u>106,777</u>
Application of Funds		
Payment of dividends	127,025	126,225
Purchase of fixed assets and alterations to leased premises	68,220	236,716
Repayment of serial debentures	—	100,000
	<u>195,245</u>	<u>462,941</u>
Increase (decrease) in working capital	(45,973)	(356,164)
Working capital, beginning of period	3,746,973	3,942,947
Working capital, end of period	<u>\$3,701,000</u>	<u>\$3,586,783</u>